



Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh, NC 27605 • (919) 733-4222 • No. 09-2005

Notice of September 19, 2005, Public Rule-Making Hearing

On September 19, 2005, the North Carolina State Board of CPA Examiners will conduct a public rule-making hearing to consider the following actions:

- Amend rules cited as 21 NCAC 8A .0301, 8A .0308, 8F .0103, 8F .0105, 8F .0106, 8F .0107, 8F .0304, 8F .0401, 8F .0409, 8F .0410, 8G .0410, 8H .0101, 8H .0105, 8M .0105, 8M .0106, 8N .0103, 8N .0204, 8N .0208, 8N .0213, 8N .0302, 8N .0303, 8N .0304, 8N .0305, 8N .0307, 8N .0401, and 8N .0408;
- Repeal rules cited as 21 NCAC 8A .0311, 8F .0110, and 8F .0112; and
- Adopt rules cited as 21 NCAC 8N .0214, and 8N .0308.

The hearing will be held at 10:00 A.M. at the Board office at 1101 Oberlin Road, Suite 104, Raleigh.

If you wish to comment on the proposed actions, please submit your written comments to Robert N. Brooks, Executive Director, NC State Board of CPA Examiners, PO Box 12827, Raleigh, NC 27605-2827. Comments may also be submitted via e-mail to rnbrooks@bellsouth.net.

Written comments must be received by the Board no later than September 7, 2005, to be included in the rule-making hearing agenda. The official comment period ends October 14, 2005.

If you wish to attend the rule-making hearing and/or present oral comments on the proposed actions, you must notify the Board's receptionist by telephone at (919) 733-4222 or via e-mail at cpareceptionist@bellsouth.net no later than 5:00 P.M. on September 7, 2005, so seating arrangements can be made.

Individuals who wish to make oral comments on the proposed actions must indicate which proposed action(s) they will address and if their comments are in favor of or against the proposed action(s).

Please send questions regarding the rule-making process to Robert N. Brooks via e-mail at rnbrooks@bellsouth.net.

Proposed Rules

NOTE: 21 NCAC 8A .0301, 8A .0308, 8A .0311, 8F .0103, 8F .0105, 8F .0106, 8F .0107, 8F .0110, 8F .0112, 8F .0304, 8F .0401, 8F .0409, 8F .0410, and 8G .0410 were published in the August issue of the *Activity Review*.

The remaining rules, 8H .0101, 8H .0105, 8M .0105, 8M .0106, 8N .0103, 8N .0204, 8N .0208, 8N .0213, 8N .0214, 8N .0302, 8N .0303, 8N .0304, 8N .0305, 8N .0307, 8N .0308, 8N .0401, and 8N .0408, are published below.

The full text of the proposed rules is available on the Board's web site, www.cpbboard.state.nc.us.

21 NCAC 08H .0101, is proposed to be amended to read as follows:

.0101 RECIPROCAL CERTIFICATES

(A) A person from another jurisdiction who

desires to offer or render professional services as a CPA to his or her employer or a client in this state shall meet all the requirements imposed on an applicant under G.S. 93-12(5) or the requirements of G.S. 93-12(6).

(b) The fee for a reciprocal certificate shall be the maximum amount allowed by G.S. 93-12(7a).

(c) An applicant for a reciprocal certificate shall meet the following requirements:

(1) The applicant has the legal authority to use the CPA title and to practice public accountancy in a jurisdiction.

(2) The applicant has received a passing score on each part of the Uniform CPA Examination.

(d) An applicant applying for a reciprocal certificate under G.S. 93-12(6) must also

~~meet the following requirements which the Board considers to be substantially equivalent to those of G.S. 93-12(5):~~

~~(1) The applicant shall have 150 semester hours of college or university education including a bachelors or higher degree with a concentration in accounting and one year of experience in the field of accounting verified by a certified public accountant who was the applicant's direct supervisor and otherwise comply with 21 NCAC 8F .0410; or~~

~~(2) The applicant:~~

~~(A) within 10 years immediately preceding the filing date of the application, has had two years of experience in the field of accounting under the direct supervision of~~

Rules

continued on page 2

Rules continued from front

a CPA who held a valid license during the period of direct supervision in any state or territory of the United States or the District of Columbia; or

~~(B) has eight years of experience in the field of accounting, or eight years of experience teaching accounting as defined and calculated in 21 NCAC 8F .0409, or any combination of such experience earned within the 12 years immediately preceding the filing date of the application; and~~

~~(3) During the two years preceding the applicant's filing date for a reciprocal certificate, the applicant has completed 80 hours of CPE in courses meeting the requirements of 21 NCAC 8G .0401(a). However, an applicant who received his or her initial CPA license within four years from the filing date of the application for a reciprocal certificate is exempt from this CPE requirement.~~

~~(e)(d)~~ An applicant for change in status, reissuance, or reinstatement of a reciprocal certificate that was inactive, forfeited, or retired more than 10 years before the date of reapplication, must comply with all current requirements for a reciprocal certificate.

21 NCAC 08H.0105, is proposed to be amended to read as follows:

.0105 USE OF CPA TITLE

(a) A person who holds a CPA certificate from another state, jurisdiction, territory or district but not from this Board and who temporarily enters North Carolina for the sole purpose of:

- (1) teaching either a college or a CPE course;
- (2) delivering any other lecture, or
- (3) moderating any panel discussion

may use the CPA title provided that, in every instance of any kind in which the CPA title is used, the state, territory or district granting the CPA title is disclosed.

(b) A person who holds a CPA certificate from another state, territory or district and who temporarily enters this state for the sole purpose of rendering advisory or consulting services to persons employed by the same employer as the CPA (including parent, sister, or subsidiary entities) may use the CPA title.

(c) Out-of-state CPAs neither domiciled nor employed in North Carolina may enter the state for the sole purpose of performing a peer review ~~or quality review~~ for a North Carolina licensee and shall not

be required to secure a temporary permit to conduct said engagement.

21 NCAC 08M.0105, is proposed to be amended to read as follows:

.0105 PEER REVIEW REQUIREMENTS

(a) A CPA or CPA firm providing any of the following services to the public shall participate in a peer review program:

- (1) Audits;
- (2) Reviews of financial statements;
- (3) Compilations of financial statements;
- (4) Examinations of prospective financial statements;
- (5) Compilations of prospective financial statements;
- (6) Agreed-upon procedures of prospective financial statements;
- (7) Examination of written assertions; ~~and~~
- (8) ~~Agreed-upon procedures of written assertions.~~ Review of written assertions; and
- (9) Agreed-upon procedures of written assertions.

(b) A CPA or CPA firm not providing any of the services listed in Paragraph (a) of this Rule is exempt from peer review until the issuance of the first report provided to a client.

(c) A CPA, a new CPA firm or a CPA firm exempt from peer review now providing any of the services in Paragraph (a) of this Rule shall furnish to the peer review program their first peer review report, the letter of comments, the letter of response, and any work papers required for the peer review program within 24 months of the issuance of the first report provided to a client.

(d) Participation in and completion of one of the following peer review programs is required:

- (1) ~~AICPA Division for CPA Firms SEC Practice Section; AICPA Center for Public Company Audit Firms;~~
- (2) AICPA Peer Review Program;
- (3) NCACPA Peer Review Program; ~~or~~
- (4) ~~Any other peer review program found to be substantially equivalent to (1), (2), or (3) of this Paragraph in advance by the Board.~~ NCACPA Peer Review Program for Non-Members; or
- (5) Any other peer review program found to be substantially equivalent to (1), (2), (3), or (4) of this Paragraph in advance by the Board.
- (e) CPA firms shall not rearrange their

structure or act in any manner with the intent to avoid participation in peer review.

(f) A CPA firm which does not have offices in North Carolina and which has not provided any services as listed in Paragraph (a) of this Rule to North Carolina clients is not required to participate in a peer review program.

(g) Subsequent peer reviews of a CPA firm are due three years and six months from the year end of the 12 month period of the first peer review unless granted an extension by the peer review program.

21 NCAC 08M.0106, is proposed to be amended to read as follows:

.0106 COMPLIANCE

(a) A CPA firm registered for peer review shall provide to the Board the following:

- (1) Peer review due date;
- (2) Year end date;
- (3) Final Letter of Acceptance from peer review program within 60 days of the date of the letter; and
- (4) A package to include the Peer Review Report, Letter of Comments, Letter of Response and Final Letter of Acceptance for all adverse and second ~~consecutive~~ modified reports issued by a peer review program within 60 days of the date of the Final Letter of Acceptance.

(b) A peer review is not complete until the Final Letter of Acceptance is issued by the peer review program with the new due date.

(c) If a CPA firm fails to comply with 21 NCAC 8M.0105(c), (d), or (g), the Board may take disciplinary action against the CPA firm's members which may include:

- (1) a conditional license and one hundred dollars (\$100.00) civil penalty upon conditions as the Board may deem appropriate for non-compliance of less than 60 days;
- (2) a conditional license and two hundred fifty dollars (\$250.00) civil penalty for non-compliance in excess of 60 days but not more than 120 days; and
- (3) a suspension of each member's CPA certificate for a period of not less than 30 days and a civil penalty of five hundred dollars (\$500.00) for non-compliance in excess of 120 days.

21 NCAC 08N.0103, is proposed to be amended as follows:

.0103 RESPONSIBILITY FOR COMPLIANCE BY OTHERS

A CPA ~~and CPA firm~~ shall be responsible for assuring compliance with the rules in

this Subchapter by anyone who is the CPA's ~~partner, fellow shareholder, partner, fellow shareholder, member, officer, director, licensed employee, unlicensed employee or agent~~ or unlicensed principal, or whom the CPA supervises. A CPA or CPA firm shall not permit others (including affiliated entities) to carry out on the CPA's behalf, with or without compensation, acts which if carried out by the CPA would be a violation of these Rules. ~~A CPA firm shall be responsible for assuring compliance with these Rules by any of its officers, directors, shareholders, unlicensed principals, partners, proprietors, employees, or agents.~~

21 NCAC 08N .0204, is proposed to be amended as follows:

.0204 DISCIPLINE BY FEDERAL AND STATE AUTHORITIES

(a) Violations of Other Authorities' Laws or Rules. A CPA shall not act in a way that would cause said CPA to be disciplined by federal or state agencies or boards for violations of laws or rules on ethics. CPAs who engage in activities regulated by other federal or state authorities (including but not limited to the following agencies: IRS, Department of Revenue, SEC, State Bar, North Carolina Secretary of State, PCAOB, NASD, Department of Insurance, GAO, HUD, State Auditor, State Treasurer, or Local Government Commission) must comply with all such authorities' ethics laws and rules.

(b) *Prima Facie* Evidence. A conviction or final finding of unethical conduct by a competent authority is *prima facie* evidence of a violation of this Rule.

(c) Notice to the Board Required. A CPA shall notify the Board in writing within 30 days of any conviction or final finding against him or her of unlawful conduct by any federal or state court or regulatory authority.

21 NCAC 08N .0208, is proposed to be amended as follows:

.0208 REPORTING CONVICTIONS, JUDGMENTS, AND DISCIPLINARY ACTIONS

(a) Criminal Actions. A CPA shall notify the Board within 30 days of any conviction or finding of guilt of, ~~or pleading of *nolo contendere*~~ *nolo contendere*, or receiving a prayer for judgment continued to any criminal offense.

(b) Civil Actions. A CPA shall notify the

Board within 30 days of any judgment or settlement in a civil suit, bankruptcy action, administrative proceeding, or binding arbitration, the basis of which is grounded upon an allegation of professional negligence, gross negligence, dishonesty, fraud, misrepresentation, incompetence, or violation of any federal or state tax law and which was brought against either the CPA or a North Carolina office of a CPA firm of which the CPA was a managing partner.

21 NCAC 08N .0213, is proposed to be amended to read as follows:

.0213 OTHER RULES

A CPA shall not willfully violate any other rule in Chapter nor any other provision of the Accountancy Statutes, the Professional Corporation Act, the Partnership Act, the Taxation Act, or the North Carolina Limited Liability Company Act.

21 NCAC 08N .0214, is proposed to be adopted as follows:

.0214 OUTSOURCING TO THIRD-PARTY SERVICE PROVIDERS

(a) A CPA shall provide a written disclosure to the client that he or she is using a third-party provider to assist the CPA in providing any professional services to the client.

(b) A CPA shall provide annual disclosure in a written statement of the services to be rendered by the third-party provider as well as the third-party provider's name, address, and phone number. The written statement shall be dated, signed by both the CPA and client in advance of the outsourcing, and a copy provided to the client.

(c) A CPA outsourcing professional services to a third-party provider is responsible for compliance with all rules of Professional of Conduct and Ethics in 21 NCAC 08N.

21 NCAC 08N .0302, is proposed to be amended as follows:

.0302 FORMS OF PRACTICE

(a) Authorized Forms of Practice. A CPA who uses CPA in or with the name of the business or offers or renders attest services in the public practice of accountancy to clients shall do so only through a registered sole proprietorship, partnership, Professional Corporation, Professional Limited Liability Company, or Registered Limited Liability Partnership.

(b) Authorized Ownership. A CPA firm may have a an ownership of up to 49 percent by non-CPAs. A CPA firm shall have ownership of at least 51 percent and be controlled in law and fact by holders of valid CPA certificates who have the unrestricted privilege to use the CPA title and to practice public accountancy in a jurisdiction and at least one whom shall be licensed by this Board.

(c) CPA Firm Registration Required. A CPA shall not offer or render professional services through a CPA firm which is in violation of the registration requirements of 21 NCAC 8J .0108, 8J .0110, or 8M .0101.

(d) Supervision of CPA Firms. Every North Carolina office of a CPA firm registered in North Carolina shall be actively and locally supervised by a designated actively licensed North Carolina CPA whose primary responsibility and a corresponding amount of time shall be work performed in that office.

(e) CPA Firm Requirements for CPA Ownership. A CPA firm and its designated supervising CPA shall be held accountable for the following in regard to a CPA owner:

(1) A CPA owner shall be a natural person or a general partnership or a limited liability partnership directly owned by natural persons.

(2) A CPA owner shall actively participate in the business of the firm or an affiliated entity as his or her principal occupation.

~~(e)(f)~~ (f) CPA Firm Requirements for Non-CPA Ownership. A CPA firm and its designated supervising CPA partner shall be held accountable for the following in regard to a non-CPA owner:

(1) a non-CPA owner shall be a natural person or a general partnership or limited liability partnership directly owned by natural persons;

(2) a non-CPA owner shall actively participate in the business of the firm or an affiliated entity as his or her principal occupation;

(3) a non-CPA owner shall comply with all applicable accountancy statutes and the administrative code;

(4) a non-CPA owner shall be of good moral character and shall be dismissed and disqualified from ownership for any conduct that, if committed by a licensee, would

Rules

continued on page 4

Rules continued from page 3

result in a discipline pursuant to G.S. 93-12(9);

(5) a non-CPA owner shall report their name, home address, phone number, and social security number, and or Federal Tax ID number on the CPA firm's registration; and

(6) a non-CPA owner's name may not be used in the name of the CPA firm or held out to clients or the public that implies the non-CPA owner is a CPA.

21 NCAC 08N.0303, is proposed to be amended to read as follows:

.0303 OBJECTIVITY AND CONFLICTS OF INTEREST

(a) Personal Financial Interest in Advice. When offering or rendering accounting or related financial, tax, or management advice, a CPA shall be objective and shall not place the CPA's own financial interests nor the financial interests of a third party ahead of the legitimate financial interests of the CPA's client or the public in any context in which a client or the public can reasonably expect objectivity from one using the CPA title.

(b) Expectation of Objectivity Presumed. If the CPA uses the CPA title in any way to obtain or maintain a client relationship, the Board will presume the reasonable expectation of objectivity.

(c) Acceptance of a Commission or Referral Fee. A CPA shall not for a commission recommend or refer to a client any product or service, or for a commission recommend or refer any product or service to be supplied by a client, or receive a commission, when the CPA also performs for that client:

(1) an audit or review of a financial statement; or

(2) a compilation of a financial statement when the CPA expects, or reasonably might expect, that a third party will use the financial statement and the CPA's compilation report does not disclose a lack of independence; or

(3) an examination of prospective financial information.

This prohibition applies during the period in which the CPA is engaged to perform any of the services listed in Subparagraph (c)(2) of this Rule and the period covered by any historical financial statements involved in such listed services.

(d) Acceptance of a Contingent Fee.

(1) The offering or rendering of professional services for, or the receipt of, a contingent fee by a CPA is not prohibited except for engaging to render or rendering by a CPA for a contingent fee:

(A) of professional services for, or the receipt of such a fee from, any person for whom the CPA also performs attest services, during the period of the attest services engagement and the period covered by any historical financial statements involved in such attest services; and

(B) for the preparation of original or amended tax returns or claims for tax refunds.

(2) Fees are not regarded as being contingent if fixed by courts or other public authorities or, in tax matters, if determined based on the results of judicial proceedings or the findings of governmental agencies.

(e) For the purposes of this Rule, a CPA shall provide disclosure to a client in every transaction, referral, and engagement when accepting a commission, referral, or contingent fee. A CPA shall provide disclosure in a written statement of the service or product to be rendered or referred with the contingent fee, commission, or referral fee to be charged or received. The written statement shall be dated; signed by the CPA and client in advance of any sale, referral, or service provided; and a copy given to the client.

21 NCAC 08N.0304, is proposed to be amended as follows:

.0304 MANAGEMENT CONSULTING SERVICES STANDARDS

(a) Standards for ~~Management Consulting Services~~. A CPA shall not render ~~management consulting services~~ unless the CPA has complied with the standards for ~~management consulting services~~.

(b) Statements on Standards for ~~Management Consulting Services~~. The Statements on Standards for ~~Management Consulting Services~~ (including the definition of such services) issued by the AICPA, including subsequent amendments and editions, are hereby adopted by reference, as provided by G.S. 150B-21.6, and shall be considered as the approved standards for ~~management consulting services~~ for the purposes of Paragraph (a) of this Rule.

(c) Departures. Departures from the statements listed in Paragraph (b) of this Rule must be justified by those who do not follow them.

(d) Copies of Statements. Copies of the Statements on Standards for ~~Management Consulting Services~~ may be inspected in the offices of the Board, as described in 21 NCAC 8A .0102. Copies may be obtained from the AICPA, 1211 Avenue of the Americas, New York, NY 10036 as part of the "AICPA Professional Standards." They are available at cost, which is approximately ten dollars (\$10.00) in paperback form or two hundred dollars (\$200.00) in looseleaf subscription form.

21 NCAC 08N.0305, is proposed to be amended as follows:

.0305 RETENTION OF CLIENT RECORDS

(a) Return upon Demand. A CPA must return client records in his or her possession to the client after a demand is made for their return. If the client is a partnership, records shall be returned upon request to any of its general partners. If the client is a limited partnership or a registered limited liability partnership, records shall be returned upon request to its general partner(s) and the managing partner or his or her designated individual respectively. If the client is a corporation, records shall be returned upon request to its president. If the client is a limited liability company, records shall be returned upon request to the manager. Joint records shall be returned upon request to any party. The records must be returned immediately upon demand unless circumstances make some delay reasonable in order to retrieve a closed file or to extract the CPA's work papers described in Paragraph (e) of this Rule. If the records cannot be returned immediately upon demand, the CPA shall immediately notify the client of the date the records will be returned. Nothing in this Rule shall be interpreted to require a CPA to pay delivery costs when the records are returned to the client.

(b) Return of Original Records. If the engagement is terminated prior to completion or the CPA's work product has neither been received nor paid for by the client, the CPA is only required to return those records originally given to the CPA by the client.

(c) Retention to Force Payment. A CPA shall not retain a client's records in order to force payment of any kind.

(d) Work Papers Included in Client Records. Work papers are usually the CPA's property and need not be surrendered to the

client. However, in some instances work papers will contain data which should properly be reflected in the client's books and records but for convenience have not been duplicated therein with the result that the client's records are incomplete. In such instances, the portion of the work papers containing such data constitutes part of the client's records, and copies shall be given to the client along with the rest of the client's records. Work papers considered part of the client's records include but are not limited to:

(1) Worksheets in lieu of original entry (e.g., listings and distributions of cash receipts or cash disbursements on columnar work paper);

(2) Worksheets in lieu of general ledger or subsidiary ledgers, such as accounts receivable, job cost and equipment ledgers, or similar types of depreciation records;

(3) All adjusting and closing journal entries and supporting details not fully set forth in the journal entry; and

(4) Consolidating or combining journal entries and worksheets and supporting detail used in arriving at final figures incorporated in an end product such as financial statements or tax returns.

(e) Work Papers Belonging to the CPA. Work papers developed by the CPA incident to the performance of an engagement which do not result in changes to the client's records, or are not in themselves part of the records ordinarily maintained by such clients, are solely the CPA's work papers and are not the property of the client. For example, the CPA may make extensive analyses of inventory or other accounts as part of the selective audit procedures. These analyses are considered to be a part of the CPA's work papers, even if the analyses have been prepared by client personnel at the request of the CPA. Only to the extent these analyses result in changes to the client's records would the CPA be required to furnish the details from the work papers in support of the journal entries recording the changes, unless the journal entries themselves contain all necessary details.

(f) Reasonable Fees for Copies. Nothing in this Rule shall be construed to require the CPA to furnish a client with copies of the client's records already in the client's possession. However, if the client asserts that such records have been lost, or are otherwise not in the client's possession, the CPA shall furnish copies of the records for a fee.

(g) Retention of Work product and Work papers. A CPA shall ensure that the work product and the work papers created in the performance of an engagement for a client are retained for a minimum of seven (7) years after the date of issuance of the work product unless the CPA is required by law to retain such records for a longer period.

21 NCAC 08N .0307, is proposed to be amended as follows:

.0307 CPA FIRM NAMES

(a) Deceptive Names Prohibited. A CPA or CPA firm shall not trade upon the CPA title through use of any name that would have the capacity or tendency to deceive. The name of one or more former members of the CPA firm, as defined in 21 NCAC 8A .0301, may be included in the CPA firm name. The name of a non-CPA owner in a CPA firm name is prohibited.

(b) Style of Practice. It is considered misleading if a CPA firm practices under a name or style which would tend to imply the existence of a partnership or registered limited liability partnership or a professional corporation or professional limited liability company of more than one CPA shareholder or CPA member or an association when in fact there is no partnership nor is there more than one CPA shareholder or CPA member of a CPA firm. For example, no CPA firm having just one CPA owner may have as a part of its name the words "~~associates~~" "associates", "group", or "company" or their abbreviations. It is also considered misleading if a CPA renders non-attest professional services through a non-CPA firm using a name that which implies any non-licensees are CPAs.

(c) Any CPA firm that has continuously used an assumed name approved by the Board prior to April 1, 1999, may continue to use the assumed name, so long as the CPA firm is only owned by the individual practitioner, partners, or shareholders who obtained Board approval for the assumed name. A CPA firm (or a successor firm by sale, merger, or operation of law) may continue to use the surname of a retired or deceased partner or shareholder in the CPA firm's name so long as that use is not deceptive.

21 NCAC 08N .0308, is proposed to be adopted as follows:

.0308 VALUATION SERVICES STANDARDS

(a) Standards for Valuation Services. A

CPA shall not render valuation services of a business, a business ownership interest, security, or intangible asset unless the CPA has complied with the standards for valuation services.

(b) Statements on Standards for Valuation Services. The Statements on Standards for Valuation Services (including the definition of such services) issued by the AICPA, including amendments and editions, are hereby adopted by reference, as provided by G.S. 150B-21.6, and shall be considered as the approved standards for valuation services for the purposes of Paragraph (a) of this Rule.

(c) Departures. Departures from the standards listed in Paragraph (b) of this Rule must be justified by those who do not follow them.

(d) Copies of Statements. Copies of the statements on standards for valuation services may be inspected in the offices of the Board, as described in 21 NCAC 08A .0102. Copies may be obtained from the AICPA, 1211 Avenue of the Americas, New York, NY 10036 as part of the "AICPA Professional Standards." They are available at cost, which is approximately ten dollars (\$10.00) in paperback form or two hundred dollars (\$200.00) in loose leaf subscription form.

21 NCAC 08N .0401, is proposed to be amended to read as follows:

.0401 PUBLIC RELIANCE

The rules in this Section apply to any CPA who engages in the attest functions ~~including, but not limited to audit, compilation, review, exam, forecast, and projection,~~ as defined in 21 NCAC 8A .0301(b). CPAs who engage in such services are also subject to the SQR Peer Review requirements of Subchapter 8M.

21 NCAC 08N .0408, is proposed to be amended to read as follows:

.0408 QUALITY PEER REVIEW STANDARDS

A CPA who is engaged to perform a ~~quality~~ peer review shall not violate the rules or standards of the ~~quality~~ peer review program under which the review is made or the engagement contract connected with that ~~quality~~ peer review.

Please send questions regarding the rule-making process to Robert N. Brooks via e-mail at rnbrooks@bellsouth.net.

Certificates Issued

At its July 14, 2005, and August 22, 2005, meetings, the Board approved the following applications for licensure:

Maura Simone Albano	Tatiana Gribanova	Kenda Lee Monroe
Karen Nadine Ansine	Lei Gu	Frans Renee Moorrees
Stewart Leslie Appelrouth	Karen L. Gueldner	Melissa Ann Morauer
Jesse James Bachman	Douglas Albert Haddock	Mia M. Morris-Morgan
Meredith L. Banks	Heyward Hydrick Harden	Ronnie Moshkowitz
Holly Jean Barr	Michael G. Hart	Jill Marie Mumford
Lisa Renee Barreca	John Robert Hattle	Jason Robert O'Neil
Pearl Wilson Bassard	Nancy A. Hill	Daniel William Oxenham
Frederick James Bauer	William Ellis Honeycutt	Lauren Nicole Page
Robert Alan Bennett	Sarah Katherine Hroza	Booth Stevenson Parker
Virginia Johansen Blount	Judith Anne Hunt	Timothy John Parker
Shannon Patricia Bogan	Gregory Edward Husted	Jonathan Ashley Perkinson
Stephanie Michelle Bradshaw	Arthur George Jaeger	Bailey Augusta Jones Pham
Kimberly O'Pharrow Branch	Mary Jane K. Jankowski	Timothy Paul Pivovarnik
Staci Suzanne Brown	Jamin Russell Jenkins	Linda Logan Poulson
Andrew Patrick Burns	Sheetal Vyas Jenkins	Fahima Munir Rahimi
Matthew Shaun Burwick	Denise Sarah Johnson	Edward Scott Raymond
John Dennis Calaway	Kathleen Salmon Johnson	Teresa Reed
Owen Michael Cavanaugh	Leigh Ann Johnson	Hazel Jean Ryon
Jamie Lee Cehelsky	Steven J. Johnston	Christopher Daniel Sanders
Patricia Duncan Cheek	Stephanie Privette Jones	Robert Lewis Sanders, Jr.
WeiLin Chen	Crystal Marie Jordening	Jessica Lynn Santucci
Kathryn C. Chisholm	Dickson Geoffrey Kabugu	Katherine Duncan Schottmiller
Nancy L. Cockrell	Jean Rowland Keith	Richard Anthony Schreiber
Albert H. Cornell, Jr.	Denise Lynette Koch	Ron Jay Schwartz
Mary Murray Croom	Timothy Jay Koch	Christopher Chad Self
Niamh Ashling Crotty	Ericka Faye Kranitz	Katherine M. Sharpee
Elizabeth Neal Danner	Jun Han Lee	Stephen Paul Snyder
Zachary Thomas Donahue	Gordon A. Lewis	William Anthony Sofsky
Gregg Draeger	Danica Lynn Little	Keith Richard Sorensen
Misty Matthews Dufur	Matthew C. E. Litz	Kathryn Leigh Stone
Kevin Dunne	Mark Bradley Lovett, II	Stephanie J. Suggs
Charles Devin Dupree	Lisa Ann Madden	Aparna Pushkar Tamhane
Tammy Lee Edmonds	Perry Kelvin Mardis	Scott M. Taylor
Michael William Joseph Edwards	Carl A. Margenau	Camillo T. Tramontana
Jennifer B. Efird	Kerri G. McNeill	Patrick A. Walsh
Lauren Hastings Elmore	Margaret Lou Meaher	James Everett Watson
Jonathan Michael Fabian	Michele Dawn Meckfessel	Christopher Wayne West
John Michael Gay	Dennis William Meyer	John R. Wheeler
Benjamin Edward Geers	Erica Lynn Mezi	Leslie Susannah White
Kendra Ward Gillespie	Diana Michele Miller	Jon Wierda
Michael Jonas Gilreath	Jennifer Rae Mitchell	Justin Dwight Willoughby
William L. Ginna, Jr.	Roger A. Mobley	Sandra Allison Wilson
Carolyn D. Goodwin	Susan Elizabeth Monks	Emily Elizabeth York
		Mindy L. Zimmerman

Inactive Status

“Inactive,” when used to refer to the status of a person, describes one who has requested inactive status and been approved by the Board and who does not use the title “certified public accountant” nor does he or she allow anyone to refer to him or her as a “certified public accountant” and neither he nor she nor anyone else refers to him or her in any representation as described in 21 NCAC 8A .0308(b) [21 NCAC 8A .0301(b)(23)].

06/28/05	Ezra Dee Quesenberry	Southern Pines, NC	07/07/05	Dawn Mahoney Cottrell	Keswick, VA
06/28/05	Chandran Gulabrai Mehta	Bowie, MD	07/07/05	Lou Ann Vincent	Hot Springs, VA
06/28/05	Beverly Boyce Terry	Cornelius, NC	07/08/05	Teresa Sides Sanges	Albemarle, NC
06/28/05	Barbara J. Wengstrom	Fredericksburg, VA	07/08/05	Kelly K. King	Dunedin, FL
06/28/05	Eugenia Hunt Kornegay	Mt. Pleasant, SC	07/08/05	Robert LeRoy Johnston	Pearland, TX
06/28/05	Edward F. Long	Charlotte, NC	07/08/05	Krissy Marie Sano	Athens, OH
06/28/05	Virginia Ruth McNeill	Augusta, GA	07/08/05	Teresa Morgan Ashworth	Mesa, AZ
06/28/05	Beverly Hulmes Harner	Houston, TX	07/11/05	Ronda Dale Russell	Burlington, NC
06/28/05	Lisa Montgomery Conklin	Whitsett, NC	07/11/05	Nancy Norwood Roy	Cornelius, NC
06/28/05	Meredith Hogg Edwards	Darien, CT	07/11/05	Phillip Jay Holleman	Coral Springs, FL
06/28/05	Thomas Tyler Dyer	Huntsville, AL	07/11/05	Pamela Denise Carroll Spalding	Winston Salem, NC
06/28/05	Oliver Scott Barfield	Atlanta, GA	07/11/05	Farel J. Byrd	Memphis, TN
06/28/05	Lori Phillips Shell	Suwanee, GA	07/11/05	Tamara Shannon Walker	Naples, FL
06/28/05	Stephanie Ramsey Wilburn	Burlington, NC	07/11/05	Tiffany Marie Sams	Walton, KY
06/28/05	Dorothy Teresa Page Proctor	Washington, DC	07/13/05	Janice Howell O'Dell	Kernersville, NC
06/28/05	Traci Roberson Mabry	Raleigh, NC	07/13/05	Laurie Martin Morton	Detroit, MI
06/28/05	Shannon Lee McGurrian	Willow Spring, NC	07/13/05	Donald Lawrence Hurley	Morganton, NC
06/29/05	Marlene Matheson	Indian Trail, NC	07/13/05	Samantha Lee Hooker	Jamestown, NC
06/29/05	Thomas Gerard Ondrof	Charlotte, NC	07/13/05	Jeremy Samuel Elliott	Greenville, SC
06/29/05	Sylvia Jay Putnam	Apex, NC	07/13/05	Amelia Gorgas McCutcheon	Augusta, GA
06/29/05	Kimberly Dawn Rush	Johnson City, TN	07/13/05	Richard Max Koeckert	Sneads Ferry, NC
06/29/05	Patrick Matthew Shaughness	CAYMAN ISLANDS	07/14/05	Travis Milton Stokes	Hickory, NC
06/29/05	Charles Thomas McLeod, Jr.	Hickory, NC	07/14/05	Michael Barry Erwin	Griffin, GA
06/29/05	Brian W. Boswell	Charlotte, NC	07/14/05	Sharon D. Robertson	Hiawassee, GA
06/29/05	Charles Wallace Archerd	Asheville, NC	07/14/05	Russell Edwin Padgett	Greenville, SC
06/29/05	Ashley Epps Mathews	Nashville, TN	07/14/05	Brett William Balsinger	Charlotte, NC
06/29/05	James E. Floyd, Jr.	Baltimore, MD	07/14/05	Timothy Sinnett Ritch	Jacksonville, FL
06/29/05	Jessica Lynn Spencer	High Point, NC	07/14/05	Karen Leslie Schroth	Niagara Falls, NY
06/29/05	Youssef Kubis	Oakland, CA	07/18/05	Harry Burnham Underwood, II	Winston Salem, NC
06/29/05	Ginger Lyn Harrison	Grand Prairie, TX	07/18/05	Michael Paul Daniel	Kernersville, NC
06/29/05	Jeffrey B. Williams	Greensboro, NC	07/18/05	William Howard Pott, II	Cave City, KY
06/30/05	Donnie Robinson	Lincolnton, NC	07/18/05	Jerry Michael Sledge	Waynesboro, VA
06/30/05	Darlene Pollock Pallang	Wilmington, NC	07/18/05	Michael Charles Sapyta	Charlotte, NC
06/30/05	Lori Baxter Schleicher	Charlotte, NC	07/18/05	Edith Smith Williford	Greensboro, NC
06/30/05	Robert Gordon Beamer	Greeneville, TN	07/18/05	Anne Beal Hare	Raleigh, NC
06/30/05	Kerry Dian Beach	Cary, NC	07/18/05	Susan Caroline Jordan Freeman	San Francisco, CA
06/30/05	Michael John Pfeiffer	Upper Marlboro, MD	07/18/05	Paula B. Eggleston	Scottsdale, AZ
06/30/05	Christopher C. Smalley	Advance, NC	07/18/05	Melissa J. Moore	New York, NY
06/30/05	Gregory S. Tallis	Cary, NC	07/19/05	Kurt Gehsmann	Greensboro, NC
06/30/05	Leanne Marie Stavrakis	Northridge, CA	07/21/05	George Edgar Clayton, III	Mt. Pleasant, SC
06/30/05	Stephanie M. Harris	Madison, WI	07/21/05	Kelly Ann Pedersen	Charlotte, NC
06/30/05	Steven Allen Krpata	Greenville, NC	07/21/05	Michaela Waldrop Conner	Matthews, NC
06/30/05	Marjorie Clark Fickling	Goldsboro, NC	07/21/05	John Edward Boyle	Savannah, GA
06/30/05	Stephanie Elliott Bryant	Apex, NC	07/22/05	Robert Wilson Rouse	Mount Pleasant, SC
06/30/05	Robert Edley	Richmond, VA	07/22/05	Lafayette Kierjarlie Morgan, Jr.	Herndon, VA
06/30/05	Jan L. De Boom	Wauchula, FL	07/22/05	Bryan Sizemore	Kernersville, NC
07/01/05	Melanie Horne Blair	Lenoir, NC	07/25/05	Kay Johnson Dunn, Jr.	Chesapeake, VA
07/01/05	Yan J. (Molly) Gao	CHINA	07/26/05	Daniel G. Matthews	Smithfield, NC
07/01/05	Robert Brandt Swindell, Jr.	Atlanta, GA	07/26/05	Robert Freeman Bailey	Durham, NC
07/05/05	Craig Dexter Choate	McMurray, PA	07/26/05	David Henry Mosier, Jr.	Simpsonville, SC
07/05/05	John Stedman Barton, Jr.	Willow Spring, NC	07/26/05	Robert Sterling Perkinson	St. Louis, MO
07/05/05	Toni Dedmond Dean	Smithfield, VA	07/26/05	Rebecca K. Joseph	Minnesota, MN
07/05/05	Thomas Wayne Coats	Willow Spring, NC	07/27/05	John Pierce Ipock, Jr.	Clemmons, NC
07/05/05	Deborah L. Armstrong	Sarasota, FL	07/27/05	Jack Vernon Abernathy, II	Gastonia, NC
07/05/05	Andrew Lamont Timberlake	Flower Mound, TX	07/27/05	Michele C. Henderson	Fort Mill, SC
07/05/05	Frances J. Pearce	Mt. Pleasant, SC	07/27/05	James Earl Flaskerud	Loudon, TN
07/05/05	Angela E. Caldwell	Knoxville, TN	07/27/05	Victoria E. Heath	High Point, NC
07/05/05	John Christopher Purdy	Kings Park, NY	07/27/05	Todd A. Williams	Noblesville, IN
07/06/05	Robert Thomas Hartley, Jr.	Davidson, NC	07/28/05	Mack William Phipps	Rural Hall, NC
07/06/05	Donald E. Clark, Jr.	Washington, DC	07/28/05	James Rider Landacre	Greensboro, NC
07/06/05	David Norman	Danville, VA	07/28/05	Michael Graham Purvis	Shallotte, NC
07/06/05	Dana Edward Morgan	Salisbury, MD	07/28/05	Victor Mike Ted Modic	Charlottesville, VA
07/06/05	Jill Herring Graham	Charlotte, NC	07/28/05	Tamara Jo Brockel	Wichita, KS
07/06/05	Kretina Cook Wright	Hoboken, NJ	07/28/05	Christine Ashenfelter	Lanham, MD
07/06/05	Kiyoko Toda	Farmington Hills, MI	07/28/05	James L. Buck	Greensboro, NC



State Board of CPA Examiners

Board Members

Leonard W. Jones, CPA
President, Morehead City

Arthur M. Winstead, Jr., CPA
Vice President, Greensboro

Jordan C. Harris, Jr.
Secretary-Treasurer, Statesville

Norwood G. Clark, Jr., CPA
Member, Raleigh

Tyrone Y. Cox, CPA
Member, Durham

Thurman L. Gause
Member, Sunset Beach

Michael C. Jordan, CPA
Member, Goldsboro

Staff

Executive Director
Robert N. Brooks

Deputy Director
J. Michael Barham, CPA

Legal Counsel
Noel L. Allen, Esq.

Administrative Services
Felecia F. Ashe

Communications
Lisa R. Hearne, Manager

Examinations
Phyllis W. Elliott

Licensing
Buck Winslow, Manager
Lisa Moy
Alice G. Steckenrider

Professional Standards
Ann J. Hinkle, Manager
Mary Beth Britt
Paulette Martin

Receptionist
Vanessia L. Willett

North Carolina State Board of
Certified Public Accountant Examiners
Post Office Box 12827
Raleigh NC 27605-2827

PRST STD
US Postage
PAID
Greensboro, NC
Permit No. 393

20,000 copies of this document were printed for this agency at a cost of \$2,836.22 or 14¢ per copy in September 2005.

Notice of Address Change

Certificate Holder _____
Last name Jr./III First Middle
Certificate No. _____ Send Mail to ____ Home ____ Business
New Home Address _____
City _____ State _____ Zip _____
CPA Firm/Business Name _____
New Bus. Address _____
City _____ State _____ Zip _____
Telephone: Bus. () _____ Home () _____
Bus. fax () _____ E-mail Address _____
Signature _____ Date _____

**Mail to: NC State Board of
CPA Examiners
PO Box 12827
Raleigh, NC 27605-2827**

Fax to: (919) 733-4209

Certificate holders not notifying the Board in writing within 30 days of any change in address or business location may be subject to disciplinary action under 21 NCAC 8J .0107.